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ABSTRACT

Major British, French, and German industrial companies are increasingly recruiting higher education graduates (HEGs) for middle management posts, traditionally filled through promotion of operatives. This new form of recruitment does not occur on the same scale or at the same rate in all the companies using it, and it is closely tied to the different national contexts. In the majority of cases, changes in the forms of access to middle management posts arise in a context of company reorganization with repercussions either directly on the function or jobs filled by middle managers or on the potential breeding ground constituted by the operative category. Companies enjoy a favorable situation in the labor market within their geographic area and pursue these common goals: middle managers with more formalized competencies, younger middle managers for lower salaries, and post downgrading. The British context seems most favorable to recourse to HEGs. Personnel are rapidly replenished because of the extent of external flexibility; declining supply of skilled workers and increasing number of HEGs; and loss of forms of negotiated regulation of the training-employment relationship. The German situation tends to limit massive recourse to HEGs, since a specific qualification corresponds to middle manager posts with an adequate supply of trained individuals. The French situation allows a mixed form of replenishing middle managers that depends on both internal promotion and recruitment of HEGs. (YLB)

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Recruiting Middle Management in Industry:

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Training & Employment

A QUARTERLY NEWSLETTER FROM CEREQ AND ITS ASSOCIATED CENTRES

RECRUITING MIDDLE MANAGEMENT IN INDUSTRY
What Kinds of Change in France, Germany and the United Kingdom?

Major British, French and German industrial companies are increasingly recruiting higher-education graduates for their middle-management posts, traditionally filled through the promotion of operatives. This new form of recruitment does not take place on the same scale or at the same rate in all the companies utilising it, however, and it is, in particular, closely tied to the different national contexts. Its implications for employee training and careers also raise questions. Should this form of recruiting new middle managers become widespread, it may well limit attempts to encourage the choice of short vocational training streams among students and the development of life-long learning.

In France, Germany and the United Kingdom, the middle management of industrial production is assumed by the *agent de maîtrise*, the *Meister* or the supervisor, who traditionally come from the ranks of the workers. Today, however, the major industrial companies are increasingly entrusting this function to graduates of short or long higher-education programmes. The analysis of this new way of recruiting middle managers sheds light on the impact of individual educational choices, be they independent or imposed, as well as on questions which are more specific to each country: What trajectories can be anticipated for graduates of vocational and technical streams in France? What are the prospects for the industrial *Meister* in Germany?

Several case studies (cf. Box p. 3) suggest that the conditions behind the recourse to higher-education graduates for middle management of production are relatively similar in the major French, British or German industrial companies. Nonetheless, the forms and dynamics of their policies are varied and must be considered in their national contexts.

POINTS IN COMMON

In the majority of cases observed, changes in the forms of access to middle-management posts arise in a context of company reorganisation, which has repercussions either directly on the function or the jobs filled by middle managers or on the potential breeding ground constituted by the operative category. Similar trends, such as the overhaul of work teams or groups, the increased formalisation of work procedures or the emphasis placed on environmental, quality and safety norms, impose new constraints on middle managers.

The large companies surveyed enjoy a favourable situation in the labour market within their geographic area. The higher-education graduates they recruit have not only been trained in large numbers but faced declining conditions of labour-market entry during the first half of the 1990s. And such recruitments are further facilitated by the fact that the companies maintain close ties with the educational institutions.

It is also clear that these large companies are pursing several common goals through the new recruitment policies for middle managers. Their personnel management heads all use the same argument to justify their recourse to higher-education graduates, based in large part on the competences associated with the role they intend to assign to their middle managers. New titles such as team coach or team leader, like *chef de module, chef d'îlot* or *chef de secteur* in French, are intended to reflect this change, which emphasises three new aspects of the function: having more formalised competences, using another style of supervision and drawing on new interpersonal or even commercial skills. For personnel officers, such requirements imply raising the level of middle managers while lowering their ages. But the new career management rules applied by the companies also call into question the link between access to a middle-management post and the promotion of operatives. Case-by-case procedures, based on past tradition and proximity between supervisors and supervised, are being replaced by technical tools for the assessment of competences and forward-looking labour-market and career management, which are aimed at making the career path within the company more 'objective'.

These new policies also reflect the companies' desire for more rigorous management of their wage bill; they not only permit short-term economies by recruiting younger people into middle-manager positions but in several instances they lead to a downgrading of the posts occupied by the higher-education graduates in the chain of authority.

VERY DIVERSE SITUATIONS

Beyond these similarities, the forms and stakes of the transformation of middle management, from the nature of its role to the kind of training involved, are far from identical. The extent of this trend depends in part on fluctuations in the number of company personnel. In this respect, the British companies' rate of turnover and recourse to temporary employment greatly exceed what is observed elsewhere. They thus illustrate the phenomena of destabilisation of the previously dominant wage relationship and rapid breakdown of industrialisation observed in the United Kingdom, where growing labour-force 'flexibility' is combined with the transfer of certain activities toward the tertiary sector. In French and especially German companies, the new policies for replenishing middle manager ranks are also most often undertaken at the time of major reorganisations of workforce structure, but in various forms: measures accompanying economic layoffs, relocation or creation of units, installation of new activities.

Changes in the organisation of production also arise differently from one company to another. Furthermore, the very marked differences in the origins, nature and degree of these changes are not the same as those that may be observed in the forms of recruiting higher-education graduates for middle-management posts. Such observations illustrate the difficulty of establishing a direct link between the new recruitment policies and organisational changes, other than the fact that these policies tend to anticipate the reinforcing role that the higher-education graduates can play in such a context.

The new means of access to middle-management posts are themselves quite varied, even within a single company. They range from the case (quite exceptional) of the direct hiring of beginners with higher-education diplomas to the internal or external recruitment of experienced graduates, via the hiring of recent graduates invited to become middle managers after an orientation programme specially designed to this end or a post in production. These different cases clearly show that the recourse to higher-education graduates for middle management cannot be reduced to a simple opposition between recruitment and internal promotion or between beginners and experienced employees. They also show that what is being called into question is not necessarily the competences of traditional middle managers but also their place in the company's chain of authority.

Beyond its standard definition, middle management occupies very varied roles, which adds to the difficulty of analysing modes of recruitment. A good indicator of this diversity lies in the rates of team supervision or in other words, the ratio between middle managers and operatives (even if this rate is sometimes difficult to measure, especially in the British case where the lines between permanent and temporary are increasingly blurred). The rate of supervision in fact varies considerably from one company, sector or country to another. Thus, in the French companies, the number of levels in the chain of authority is higher than elsewhere, and the new forms of replacing middle managers may also involve lower and middle command posts such as head operator or team leader. In comparison, the German *Meister*, past and present, has responsibilities that are at once broader and more defined. As a result, when the means of access to this function change, they become a particularly important issue in terms of career management. In the British and French companies, where the boundaries of the middle managers' power are less clear, the split between old and new policies is not as pronounced. These companies are also more apt to maintain several forms of access to middle-management posts, but these differ in each country.

THREE COUNTRIES, THREE TRENDS

The scope and pace of the transformations observed may be explained in large part by the countries where the companies operate. Indeed, they reflect the specific modes and dynamics of production and recognition of qualifications in each country.

If the traditional access to middle-management posts is based on the promotion of operatives in all three countries, it does not follow the same mechanisms. In Germany, the middle manager category corresponds to a specific qualification which is defined outside the company: the certified *Meister*. The certificate in question is acquired through continuing training after apprenticeship, most often

at the initiative of the individual concerned but without any guarantee of occupying the corresponding position. Given the number of *Meisters* trained, the recourse to higher-education graduates, should it become widespread, could only be justified by calling this category, its training and its career path into question. In the British and French companies, the traditional middle manager category is not distinguished from that of operative in terms of diplomas. But this does not mean that the individual has not acquired additional qualifications. The companies, often with the help of their trade associations, develop continuing training programmes that are sometimes quite elaborate, although there is no title comparable to that of *Meister* in these two countries. In France, however, the process of raising the training level of operatives, which has been underway since the mid 1980s with the creation of the vocational *baccalauréat*, should provide industry with a sufficient pool of qualifications to supply the middle manager category—even if many companies have not yet been able to create such a reserve for themselves because they have not recruited sufficient numbers of young people in recent years. In the United Kingdom, on the other hand, the collapse of the fundamentals of worker qualifications, largely related to the decline of apprenticeship in recent decades, has contributed to the creation of a binary structure which does not encourage the development of intermediate qualifications capable of taking over.

Similarly, if there has been an increase in the number of higher-education graduates in all three countries, their labour-market entry does not follow the same rules. Several marked features emerging from the case studies are worth citing. In the British companies, the recruitment of graduates is not limited to middle or upper management posts but may also involve operator posts. For their part, the French companies privilege the hiring of higher technicians holding a corresponding vocational training certificate (*brevet de technicien supérieur*, BTS) or polytechnic diploma (*diplôme universitaire de technologie*, DUT). This kind of recruitment has become standard practice in maintenance units and is spreading in manufacturing, where the managerial function is only entrusted to the young higher technicians after a period of in-company experience, which may extend over several years in order to attain the top positions (first-line supervisor, unit leader). The German companies, meanwhile, are turning to engineers, generally coming from the short higher training stream (*Fachhochschule*), who may be beginners or selected among in-house managers, but in this case the post they are called upon to fill is modified.

This study of companies implementing a new method for replenishing their middle managers (cf. Box below) was not intended to determine the extent of the recourse to higher-education graduates in the three countries. If we

New Career Pathways and Life-Long Learning
The Case of Middle Managers in Industrial Production

The results presented in this article are taken from a comparative study jointly funded by the European Commission's "Education and Culture" Directorate General (DGXXII) through the Leonardo da Vinci programme. The study is based on the observation of changes in the means of filling middle-management posts in industry, which are similar in France, Germany and the United Kingdom. The 'middle manager' category is taken to include employees responsible for supervising and directing the work of teams in industrial production units. In the companies' chains of authority, this function is situated between the posts of managers in charge of these units and the so-called operational jobs.
The study raises several questions: What is the future of worker careers? What consequences will the changes observed have on choices of initial and continuing training streams? What solutions may be envisioned to help revitalise advancement through promotion?

For each country, two kinds of data were used:

- on the one hand, an inventory carried out on the basis of existing literature and available statistics (national assessments);
- on the other, an in-depth survey carried out in three major companies in the chemical and mechanical construction industries previously identified as having had recourse to higher-education graduates to fill their middle-manager posts.

The totality of these data was subsequently the subject of a comparative review.

This study, entitled "New career pathways and life-long learning, the case of middle management in industrial production (CALL)", was directed by Ingrid Drexel (Institut für Sozialwissenschaftliche Forschung, Munich) in partnership with Martine Möbus (Céreq), Frédéric Gérardin, Benoît Grasser and Hervé Lhotel (Groupe de recherche sur l'éducation et l'emploi, Céreq's associated regional centre in Nancy) and Alan Brown and Malcolm Maguire (Institute for Employment Research, Warwick). A report on this study was submitted to the European Commission in September 2000: *Neue Karrierewege und lebenslanges Lernen: das Beispiel der Führungskräfte der industriellen Produktion (CALL)*. Céreq will publish the results in French in 2001.

consider the available statistics, the proportion of middle-manager posts in industry held by higher-education graduates is very limited in Germany: 2 to 4 percent. It is low in France, although on the increase: 12 percent in 1997 as compared to 4 percent in 1982. (There are no equivalent data for the UK.) The company cases analysed, once they are placed in their respective contexts, nonetheless allows us to identify marked trends or, conversely, marginal situations.

Thus, the British context seems the most favourable to the recourse to higher-education graduates. There is rapid replenishment of the companies' personnel because of the extent of external flexibility (high turnover and precarious forms of employment); the supply of skilled workers is declining while the number of young people exiting higher education has sharply increased, and the forms of negotiated regulation of the training-employment relationship have lost ground or disappeared altogether.

The German situation, by contrast, tends to limit massive recourse to higher-education graduates. There is a specific qualification corresponding to middle-manager posts (the *Meister* certificate) and an adequate supply of trained individuals in this category. The increase in the number of higher-education graduates remains relatively limited and the number of engineering graduates has even shown a sharp decrease in recent years, while access to employment on the basis of negotiated agreements has been maintained.

The French situation, meanwhile, privileges a mixed form of replenishing middle managers which depends on both internal promotion and the recruitment of higher-education graduates. The middle manager category is quite heterogeneous and the recourse to BTS- or DUT-holders relatively longstanding. This category of diplomas, which does not have an equivalent in the other two countries, formally corresponds to the supervisory level of qualification on many indexation grids. The supply of graduates has increased rapidly but the recruitment of beginners remains limited. And the career prospects for operatives are relatively more numerous because of the greater share of intermediate jobs in the companies' chains of authority.

If the co-existence of promoted employees and higher-education graduates within the French companies' middle manager ranks seems viable, the mechanisms of selection and competition between these two categories nonetheless works against the promotional path. For one thing, the decline in the recruitment of young people, in both absolute and relative terms, over the past fifteen years has not permitted the companies to build up a sufficient reserve to handle the immediate supervisor functions. The recent resumption of recruitments should give them the opportunity to do so by bringing in greater numbers of young people. For another, the French continuing vocational training system, which has no equivalent elsewhere in Europe, has not yet had more than a slight impact on the resumption of studies and the acquisition of occupational certifications. In this respect, the new tools for the accreditation of work experience may help to revitalise access to middle manager positions through promotion while increasing opportunities for external mobility.

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